

PUBLIC DISCLOSURE

August 31, 2010

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

**United Bank of Philadelphia
33568**

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Philadelphia, Pennsylvania 19102**

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NOTE: This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low- and moderate- income neighborhoods, consistent with safe and sound operations of the institution. This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion, or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

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GENERAL INFORMATION

The Community Reinvestment Act (CRA) requires each federal financial supervisory agency to use its authority when examining financial institutions subject to its supervision, to assess the institution's record of meeting the credit needs of its entire community, including low- and moderate-income (LMI) neighborhoods, consistent with safe and sound operation of the institution. Upon conclusion of such examination, the agency must prepare a written evaluation of the institution's record of meeting the credit needs of its community.

This document is an evaluation of the CRA performance of **United Bank of Philadelphia (United Bank)** prepared by the **Federal Deposit Insurance Corporation (FDIC)**, the institution's supervisory agency, as of **August 31, 2010**. The agency rates the CRA performance of an institution consistent with the provisions set forth in Appendix A to 12 CFR Part 345.

INSTITUTION RATING

INSTITUTION'S CRA RATING: This institution is rated Outstanding.

An institution in this group has an outstanding record of helping to meet the credit needs of its assessment area, including LMI neighborhoods, in a manner consistent with its resources and capabilities. This rating is supported by the following factors:

- The average net loan-to-deposit (LTD) ratio is reasonable given the bank's size, financial condition, and assessment area credit needs.
- United Bank originated 117 small business and home mortgage loans totaling slightly more than \$17 million over the review period. A majority of these loans (84 percent by number and 79 percent by dollar volume) were originated within the bank's assessment area.
- The distribution of small business loans reflects excellent penetration among businesses of different sizes.
- The geographic distribution of small business and home mortgage loans within the assessment area is excellent.
- The bank utilizes flexible lending programs, including the Department of Transportation Short Term Lending Program and the Philadelphia Industrial Development Corporation Emerging Business Guarantee Program.
- The bank is a Community Development Financial Institution (CDFI) and presently the only Philadelphia-based institution with this certification.
- At the institution's request, the bank's performance in providing services that enhance credit availability within its assessment area was reviewed. The institution's performance in this area supports the bank's Outstanding rating.
- Neither the bank, nor the FDIC has received any CRA-related complaints.
- While a violation of Regulation B, which implements the Equal Credit Opportunity Act (ECOA) was identified during the CRA review period, it did not affect the bank's CRA Rating.

SCOPE OF EVALUATION

This evaluation utilizes Small Institution CRA Examination Procedures. The evaluation focuses on the institution's two major loan product lines; small business and home mortgage lending. Given the composition of the loan portfolio and the bank's business strategy, small business loans received greater weight in the overall CRA performance evaluation. The review period is from June 19, 2006 (the date of the prior CRA Performance Evaluation) through August 31, 2010. The tables within the current Performance Evaluation reflect data for the full years of 2008 and 2009, and for the first six months of 2010.

Small business loans are defined as loans secured by non-farm, non-residential real estate or commercial and industrial loans with an origination amount of \$1 million or less, and reported in accordance with Consolidated Report of Condition and Income (Call Report) Instructions. While United Bank is not subject to CRA loan reporting requirements due to its asset size, the bank collected, but did not report data regarding its small business lending. United Bank is required to report its home mortgage loans pursuant to the Home Mortgage Disclosure Act (HMDA). Home mortgage loans include loans to purchase, improve or refinance residential dwellings and are reported in accordance with the HMDA. A majority of the bank's HMDA loans were non-owner-occupied and were primarily for investment purposes. Consumer loans were not included in the tables as their inclusion would have little impact on the bank's overall performance evaluation.

DESCRIPTION OF INSTITUTION

United Bank, which is headquartered in the Center City section of Philadelphia, Pennsylvania (Philadelphia County), is a state-chartered, commercial bank. The bank is a minority depository institution, as defined by Section 308 of the Financial Institution Reform Recovery and Enforcement Act (FIRREA) since 50 percent or more of the voting stock of the institution is owned by minority individuals. United Bank was established in 1992 and is a wholly-owned subsidiary of United Bancshares, Inc., a one-bank holding company. The institution does not have any subsidiaries.

The bank has three full-service branch offices in the City of Philadelphia, including two branches in moderate-income areas (West Philadelphia and North Philadelphia) and one branch in a middle-income area (Mount Airy). United Bank also operates 25 Automated Teller Machine (ATM) locations, including 4 at bank locations and 10 in a drugstore chain. In total, 21 ATMs are located in LMI areas.

United Bank primarily focuses on Philadelphia neighborhoods that have traditionally been underserved by commercial banks, including the North Philadelphia and West Philadelphia Renewal Communities and Empowerment Zones. The bank offers a variety of commercial and consumer banking products and services. Special lending programs include the following:

- *Department of Transportation (DOT) Short Term Lending Program* – DOT’s short-term lending program provides eligible small and disadvantaged businesses with guaranteed revolving lines of credit up to \$750 thousand to finance short-term costs of performing contracts.
- *Philadelphia Industrial Development Corporation (PIDC) Emerging Business Guarantee Program* – This loan program is designed to improve capital access for small businesses in Philadelphia to purchase machinery and equipment, to fund renovations, to finance new construction and/or property acquisition, and to provide working capital. The program also helps small businesses establish independent financial relationships with banks. PIDC guarantees up to 50 percent of the principal loan balance, with a maximum guarantee of \$250 thousand available.
- *Small Business Administration (SBA) loan programs* – The SBA offers an array of programs that meet the various needs of small businesses, including the SBA’s America’s Recovery Capital (ARC) loan program. SBA’s ARC loan program provides up to \$35 thousand in short-term relief for viable small businesses facing immediate financial hardship to help ride out the current uncertain economic times and return to profitability. Each small business is limited to one ARC loan.

United Bank is certified as a CDFI by the U.S. Department of Treasury. This certification requires that the bank lend in markets that are underserved and promote community development. The bank is presently the only Philadelphia certified CDFI insured by the FDIC.

As of June 30, 2010, United Bank reported total assets of \$73 million, with total loans of \$47 million and total deposits of \$66 million. **Table 1**, which presents the bank’s loan distributions as of June 30, 2010, is primarily a commercial lender, with commercial real estate loans and commercial/industrial loans comprising 58 percent of the total portfolio. One-to-four family residential loans represent the next largest percentage at 28 percent and consist primarily of closed-end first lien home equity loans as the bank generally does not offer purchase money mortgage loans. Most of the loans secured by one-to-four family residential property were originated to business entities for investment purposes. The remainder of the portfolio is comprised of construction loans, multi-family loans, and consumer loans. There are no agricultural loans or loans secured by farmland.

Table 1 – Loan Distribution as of June 30, 2010		
Loan Type	Dollar Amount (000s)	Percent of Total Loans
1-4 Family Residential	13,007	28
Construction & Land Development	2,293	5
Multifamily (5 or more)	2,015	4
Commercial	22,966	49
Total Real Estate Loans	40,281	86
Commercial and Industrial	4,359	9
Consumer	2,484	5
Total Loans	47,124	100

Source: Report of Condition, Schedule RC-C Loans and Leases, dated June 30, 2010.

There are no legal impediments that would prevent United Bank from helping to meet the credit needs of the assessment area; however, the bank has experienced earnings losses during the evaluation period, which could present a financial impediment.

At the previous CRA performance evaluation, dated June 19, 2006, the Federal Reserve Bank of Philadelphia assigned a CRA Rating of Outstanding utilizing Small Institution CRA Examination Procedures.

DESCRIPTION OF ASSESSMENT AREA

CRA requires financial institutions to define an assessment area within which the bank will concentrate its CRA lending efforts and activities. United Bank's assessment area is in conformance with the technical requirements of the CRA regulation, as it includes entire geographies and the bank's offices, and does not arbitrarily exclude LMI geographies. All demographic indices and statistics presented throughout this evaluation were based on 2000 U.S. Census data, unless otherwise noted.

United Bank's assessment area is Philadelphia County, which encompasses the City of Philadelphia. Philadelphia County is located in the Philadelphia, Pennsylvania Metropolitan Division (MD) 37964, which is part of the larger Philadelphia-Camden-Wilmington, Pennsylvania-New Jersey-Delaware-Maryland Metropolitan Statistical Area (MSA) 37980. MSA 37980 is in the multi-state Philadelphia-Camden-Vineland, Pennsylvania-New Jersey-Delaware-Maryland Combined Statistical Area (CSA) 428.

Census Tract Characteristics - The assessment area is comprised of 381 census tracts, which is delineated by income category as follows: 109 (29 percent) low-income tracts, 140 (37 percent) moderate-income tracts, 88 (22 percent) middle-income tracts, and 29 (8 percent) upper-income tracts. Fifteen census tracts (4 percent) are classified as “not applicable” because they have limited or no population or no housing units in the geography. The “not applicable” tracts include the Philadelphia International Airport, Northeast Philadelphia Airport, and Philadelphia Naval Business Center.

The Department of Housing and Urban Development (HUD) designates Renewal Communities and Empowerment Zones, which are defined as distressed urban communities. Portions of the bank’s assessment area are in the Philadelphia Pennsylvania Renewal Community and the Philadelphia, Pennsylvania/Camden, New Jersey Empowerment Zone. Additionally, the bank’s branch location in West Philadelphia is located within a Philadelphia, Pennsylvania Renewal Community, and the branch location in North Philadelphia is situated on the border of the Philadelphia, Pennsylvania/Camden, New Jersey Empowerment Zone.

Income Information - HUD annually adjusts the Median Family Income (MFI) from the most recent U.S. Census to arrive at an estimate that reflects current economic conditions. The HUD-adjusted MFI is used to determine the distribution of loans by borrower income level. Income levels are calculated as follows:

Table 2 – HUD-Estimated Median Family Income for Philadelphia MD 37964					
Year	HUD Estimated Median Family Income	Low Income <50%	Moderate Income ≥50% to <80%	Middle Income ≥80% to <120%	Upper Income ≥120%
2010	\$76,200	Less than \$38,100	\$38,100 to \$60,959	\$60,960 to \$91,439	\$91,440 or greater
2009	\$75,500	Less than \$37,750	\$37,750 to \$60,399	\$60,400 to \$90,599	\$90,600 or greater
2008	\$72,400	Less than \$36,200	\$36,200 to \$57,919	\$57,920 to \$86,879	\$86,880 or greater

Source: HUD, via FFIEC website

Population - The population of the assessment area is 1.5 million. By tract income category, 71 percent of the total population resides within LMI geographies. The total population represents 590 thousand households and 355 thousand families. Of these families, 213 thousand (60 percent) are designated as LMI families (39 percent and 21 percent, respectively). These demographics suggest ample lending opportunities to LMI borrowers and/or in LMI geographies.

Housing - United Bank’s assessment area contains 662 thousand housing units, of which 53 percent are owner-occupied, 36 percent are renter-occupied, and 11 percent are vacant. A combined total of 67 percent of owner-occupied units are located in LMI census tracts. The high percentage of renter-occupied and vacant housing units in relation to owner-occupied units suggests limited home mortgage lending opportunities; however, of the opportunities that do exist, a reasonable percentage are located in LMI census tracts. The average median age of the housing stock in LMI geographies is 47 years.

Businesses - Business demographic data available from Dun & Bradstreet for 2010 shows 81 thousand non-farm business establishments in the assessment area. Of these businesses, 75 percent reported earning gross annual revenue (GAR) of \$1 million or less and 4 percent reported revenues greater than \$1 million; however, 21 percent of businesses did not report revenues. A total of 62 percent of non-farm businesses with GARs of \$1 million or less are located in LMI census tracts. These demographics suggest ample small business lending opportunities to businesses of all sizes, as well as to businesses in LMI geographies.

Economic Information – The area's two largest industries are services at 54 percent and retail trade at 17 percent. The economy of both the City of Philadelphia and surrounding areas depends heavily on the service sector, including hospitals, restaurants, and professional services. Additionally, federal, state, and local governments also provide many jobs. In 2009, the top five non-governmental employers in the City of Philadelphia were: the University of Pennsylvania and Penn Health System, Jefferson Health Systems and Thomas Jefferson University Hospital, Lockheed Martin Corporation, Comcast Corporation, and Temple University and Health System.

According to the Bureau of Labor Statistics, the Philadelphia County unemployment rate has risen significantly during the review period, from 6.5 percent in January 2007, to 11.9 percent in June 2010. Additionally, the Philadelphia County unemployment rate is higher than unemployment rates for Pennsylvania, MSA 37980, and the U.S. (which are 9.6 percent, 8.7 percent, and 9.5 percent, respectively), as of June 30, 2010.

Competition - United Bank is subject to intense competition for loans within its assessment area from national, regional, and local banks; mortgage and finance companies; savings and loan associations; and credit unions. The 2009 HMDA data for Philadelphia County includes 417 HMDA reporters that originated nearly 32 thousand loans. Collectively, the top 10 HMDA originators accounted for 15 thousand loans, representing a 47 percent market share. The dominant home mortgage lenders in United Bank's assessment area were Wells Fargo Bank, NA (ranked first, with an 11 percent market share), Police and Fire Federal Credit Union (ranked second with an 11 percent market share), and Bank of America, NA (ranked third with a 6 percent market share). United Bank, with its business banking focus, ranked 277th with 3 HMDA loan originations in 2009 (0.01 percent share of the market).

Although the bank is not subject to CRA small business reporting requirements due to its asset size, the following is presented to exhibit the intense level of competition for small business loan originations in the assessment area. During 2009, there were 82 CRA reporters that originated 12 thousand small business loans in the assessment area. Fourteen of these originators each reported more than 100 small business loans. Specialized and business credit card lenders originated over 85 percent of these loans, including the top three lenders (American Express Bank, FSB; PNC Bank, NA; and Citibank (South Dakota), NA), who accounted for 60 percent of the assessment area market share.

Competition for deposits within the bank's assessment area is also strong. Philadelphia County has 51 financial institutions, with a collective total of 333 branches and \$46 billion in deposits. According to the FDIC's Statement of Deposits as of June 30, 2010, Wells Fargo Bank, NA has the largest market share (37 percent), followed by PNC Bank, NA (14 percent) and Citizen's Bank of Pennsylvania (13 percent). United Bank, with three branches and \$66 million in deposits was ranked 31st (0.1 percent).

Community Contact - In conjunction with the bank's CRA evaluation, two interviews were conducted. The first was with a minority business strategic alliance that provides assistance and resources to minority-owned businesses within the assessment area. The second community contact interview was with a community development corporation whose focus is on Philadelphia neighborhood economic development, particularly that for Northwest Philadelphia. Recently performed community contacts with other local community-based organizations were also reviewed and provided context on communities and credit needs within the assessment area.

The community contacts revealed opportunities for bank participation in the following areas: (1) lending and support services to help start-up small businesses, particularly those owned by minorities and women; (2) loans to rehabilitate and develop existing properties in economically disadvantaged neighborhoods; and (3) funding and technical assistance for community-based organizations focusing on housing and economic development projects.

CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA

The bank's performance is evaluated based on the following: the net LTD ratio, assessment area concentration, lending to businesses of different sizes and borrowers of different incomes, geographic distribution of loans, and responses to consumer complaints. Below is an analysis of each performance criteria.

Loan-to-Deposit (LTD) Ratio

An institution can service the credit needs of its community by making loans. Loans, for the most part, are funded through customer deposits maintained at the institution. A measurement of the level that an institution makes loans in relation to the amount of deposits held is the net LTD ratio. Overall, United Bank's average net LTD ratio is reasonable given the institution's size, financial condition, and assessment area credit needs.

United Bank's average net LTD ratio over the last 17 quarters is 72 percent. At June 30, 2010, United Bank reported a net LTD ratio of 70 percent. For comparison, the bank's peer group reported a net LTD ratio of 73 percent for the same period. United Bank's peer group consists of all FDIC-insured commercial banks having assets between \$50 million and \$100 million, with three or more full service offices and located in a metropolitan area. During the evaluation period, United Bank's net LTD ratio was relatively stable.

Additionally, two similarly-situated institutions headquartered in Philadelphia were reviewed for the same 17-quarter period: a \$72 million bank with an average net LTD ratio of 77 percent and a \$95 million bank with an average net LTD ratio of 80 percent. United Bank's average net LTD was slightly lower (72 percent).

Assessment Area Concentration

The bank's lending performance is evaluated based on the number and dollar amount of loans extended within the assessment area. **Table 3** shows that a majority of loans were originated within the assessment area by both number of loans made and the dollar volume. Specifically, 84 percent by number and 79 percent by dollar volume were originated within the assessment area.

Table 3 – Distribution of Loans Inside and Outside of the Assessment Area										
Loan Category or Type	Number of Loans					Dollars in Loans (000s)				
	Inside		Outside		Total	Inside		Outside		Total
	#	%	#	%		\$	%	\$	%	
Small Business										
2008	28	68	13	32	41	5,368	62	3,347	38	8,715
2009	19	95	1	5	20	4,628	98	100	2	4,728
YTD 2010	6	67	3	33	9	1,753	93	135	7	1,888
Total Small Business	53	76	17	24	70	11,749	77	3,582	23	15,331
Home Mortgage										
2008	41	95	2	5	43	930	92	82	8	1,012
2009	3	100	0	0	3	264	100	0	0	264
YTD 2010	1	100	0	0	1	471	100	0	0	471
Total Home Mortgage	45	96	2	4	47	1,665	95	82	5	1,747
Total Loans	98	84	19	16	117	13,414	79	3,664	21	17,078

Source: Bank records and HMDA data collection for 2008, 2009, and the first six months of 2010.

Small Business Lending – The bank originated a majority of its small business loans inside the assessment area by both number and dollar volume. Fifty-three of the 70 small business loans, or 76 percent were originated within the bank’s assessment area during the 30-month review period. The in-area small business loans totaled nearly \$12 million, which represented 77 percent of the \$15.3 million in small business loans originated. Of particular note are the high percentages of in-area loans in 2009 by number (95 percent) and by dollar volume (98 percent). The bank also originated a high percentage of loans by dollar volume (93 percent) for year-to-date (YTD) 2010.

Home Mortgage Lending – The bank originated a substantial majority of home mortgage loans within the assessment area. Home mortgage loan originations are comprised primarily of business loans for the purpose of rehabilitating existing homes for rental or resale. While the number of home mortgage loans appears to have drastically declined from 2008 to 2009, 36 of the 41 in-area loans originated in 2008 were related to two home mortgage loans. United Bank elected to report these 2 home improvement loans using multiple entries. A year-to-year review of the dollar volume of in-area loans shows a 72 percent decline in volume from 2008 to 2009; however, the annualized 2010 dollar volume is consistent with the 2008 lending levels.

Lending to Businesses of Different Sizes and Borrowers of Different Incomes

This criterion assesses the bank's performance in addressing the credit needs of businesses of various sizes and borrowers of different incomes (low-, moderate-, middle-, and upper-income borrowers). The overall analysis of small business loans reflects excellent penetration among businesses of different sizes.

Small Business Lending – **Table 4** and **Table 5** present the distribution of small business loans based on GAR and loan size.

Table 4 - Distribution of Small Business Loans by GARs of Business								
GARs (000s)	2008		2009		2010		Total	
	#	%	#	%	#	%	#	%
≤ \$1,000	25	89	16	84	5	83	46	87
> \$1,000	3	11	3	16	1	17	7	13
Total	28	100	19	100	6	100	53	100

Source: Review of In-area Small Business Loan Files; Bank Records

Table 5 – Distribution of Small Business Loans by Loan Size								
Loan Size (000s)	2008		2009		2010		Total	
	#	%	#	%	#	%	#	%
≤ \$100	16	57	9	47	4	67	29	55
> \$100 ≤ \$250	4	14	4	21	0	0	8	15
> \$250	8	29	6	32	2	33	16	30
Total	28	100	19	100	6	100	53	100

Source: Review of In-area Small Business Loan Files; Bank records.

Table 4 shows that United Bank originated 87 percent of its small business loans to businesses with GARs of \$1 million or less during the review period. The bank's performance exceeds the percentage of in-area businesses (75 percent) that reported GARs of \$1 million or less.

Table 5 reflects the distribution of these loans by loan size, which shows that United Bank primarily originates these loans in amounts less than or equal to \$250 thousand. Specifically, 55 percent of the in-area small business loans had a loan size of \$100 thousand or less; 15 percent were originated in amounts greater than \$100 thousand, but less than or equal to \$250 thousand; and 30 percent were originated in amounts greater than \$250 thousand, but less than or equal to \$1 million. With 70 percent of the small business loans in amounts of \$250 thousand or less, the bank shows a commitment to meeting the credit needs of small businesses in the assessment area.

Home Mortgage Lending - Ninety-two percent of the in-area home mortgage loans originated during the evaluation period were to borrowers with an income classification of Not Applicable (NA). Each of these loans represents a home mortgage loan transaction to a commercial entity (i.e., not a natural person) to purchase, improve, or refinance an existing lien on a non-owner occupied residential property. These loan types are consistent with the bank's business strategy. Only four of the in-area home mortgage loans reported in 2008 had reported income. Given the limited number of home mortgage lending to borrowers with reported incomes, no meaningful trend analysis could be performed with respect to the bank's distribution of home mortgage loans to borrowers of different income levels.

Geographic Distribution

This criterion assesses the bank's performance in lending among geographies of different income levels. Overall, the geographic distribution of small business and home mortgage loans within the assessment area is excellent.

Small Business Lending – **Table 6** presents the distribution of small business loans within the assessment area by census tract income level. The geographic distribution of loans reflects excellent dispersion throughout the assessment area when compared to the distribution of businesses. Of the 53 small business loans originated during the evaluation period, 40 percent were in low-income geographies and 47 percent were in moderate-income geographies. These percentages compare favorably to business demographics, which show that 24 and 38 percent of assessment area non-farm businesses operate within low- and moderate-income census tracts, respectively.

United Bank's performance is strong relative to aggregate small business lending data for CRA reporters within the bank's assessment area. Although United Bank is not included in the CRA small business aggregate data, this data provides perspective regarding the level of competition for these loans. During 2008 and 2009, aggregate lenders reported 17 and 16 percent of loans in low-income tracts, and 36 and 35 percent of loans in moderate-income tracts, respectively.

Table 6 – Distribution of Small Business Loans by Income Category of the Census Tract									
Census Tract Income Level	Non-Farm Business by Geography (% of #)	2008		2009		YTD 2010		Total	
		#	%	#	%	#	%	#	%
Low	24	11	39	8	42	2	33	21	40
Moderate	38	14	50	9	47	2	33	25	47
Middle	24	2	7	2	11	2	33	6	11
Upper	12	1	4	0	0	0	0	1	2
NA	2	0	0	0	0	0	0	0	0
Total	100	28	100	19	100	6	100	53	100

Source: 2000 U.S. Census data, bank records

Home Mortgage Lending – The geographic distribution of home mortgage loans is presented in **Table 7**. Aggregate lending data and the percentage of owner-occupied housing units is included for comparison purposes. Although the number of home mortgage loans originated by the bank is minimal, all of these loans were originated in LMI geographies. The bank's percentage of lending in 2008 within low-income tracts (representing 66 percent of all HMDA-reportable loans) was particularly strong when compared to aggregate and demographic data.

Table 7 – Distribution of HMDA Loans by Income Category of the Census Tract											
Census Tract Income Level	% of Total Owner-Occupied Housing Units	2008 Aggregate Lending Data % of #	2009 Aggregate Lending Data % of #	2008		2009		YTD 2010		Total	
				#	%	#	%	#	%	#	%
Low	23	17	12	27	66	0	0	1	100	28	62
Moderate	44	43	39	14	34	3	100	0	0	17	38
Middle	29	34	40	0	0	0	0	0	0	0	0
Upper	4	6	9	0	0	0	0	0	0	0	0
Total	100	100	100	41	100	3	100	1	100	45	100

Source: 2000 U.S. Census data, 2008 and 2009 HMDA aggregate data, and HMDA data collection (2008 – 2010)

Response to Complaints

The bank did not receive any complaints relating to its CRA performance during the evaluation period.

FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

A violation of the Federal Reserve Board's Regulation B, which implements the Equal Credit Opportunity Act (ECOA), was identified during the CRA review period; however, the bank's CRA Rating was not negatively impacted. Management implemented immediate corrective action related to the violation.

COMMUNITY DEVELOPMENT ACTIVITIES

Loans

The following small business loans were analyzed within the lending analysis; however, these loans were particularly responsive to community development needs within the bank's assessment area:

- One loan for \$250 thousand was originated to a foundation to reduce crime in senior housing for LMI seniors.
- Nine loans totaling \$2 million were originated to non-profit, faith-based organizations that provide community development services to LMI individual in LMI communities throughout Philadelphia. Loan proceeds funded affordable child care, education, mentoring, economic development, neighborhood revitalization, workforce training, and/or other social services.
- Two loans aggregating \$900 thousand were originated to two community development corporations that predominantly serve LMI areas in Northwest Philadelphia and West Philadelphia, and whose primary mission is to create and stimulate economic development through its programs and services, which include housing and economic development, business development, and community enrichment.
- One loan for \$870 thousand was originated to a non-profit, faith-based organization located in a moderate-income community of North Philadelphia that operates a community development corporation providing affordable housing to the congregation and community. In addition, the organization operates a credit union that provides affordable banking services to its membership.
- One loan for \$471 thousand was originated to a developer specializing in the rehabilitation of aged or poorly maintained housing in LMI communities in West Philadelphia.

- Two loans totaling \$125 thousand were originated to small businesses that provide employment and services to LMI individuals in economically disadvantaged LMI areas of Philadelphia. These loans were originated in partnership with the African American Chamber of Commerce (AACC) and the Pennsylvania Minority Business Development Authority to support the creation and growth of minority-owned businesses, primarily in economically disadvantaged areas.

United Bank also originated one loan for \$100 thousand under the DOT short-term lending program, one loan for \$75 thousand under the PIDC program, and two loans for \$70 thousand under the SBA programs.

Services

United Bank's record of operating branches and ATMs and providing other services and delivery systems enhances credit availability within the bank's assessment area. As noted, the bank operates three full-service branches in Philadelphia, including two branches in moderate-income census tracts (which serve Renewal Community and Empowerment Zone communities) and one branch in a middle-income tract. Each branch uniformly offers access to all of the bank's loan products and financial services. The bank did not open or close any branches during the current evaluation period. In addition to its branch network, United Bank also operates 25 ATMs, including three at the bank's branches, one at its corporate headquarters, and ten inside a drugstore chain throughout the city. In total, 21 ATMs are located in LMI areas.

United Bank offers deposit products that serve LMI consumers. Specifically, United Bank's budget checking account provides unlimited check writing and requires no minimum balance for a flat fee of \$9 per month. United Bank also participates in the City of Philadelphia's *Bank on Philadelphia* program, which assists LMI individuals in gaining access to lower-cost or no-cost mainstream financial products and services, including a second chance checking product and financial education and credit counseling services. United Bank is one of ten financial partners that participate in the program. In addition, United Bank offers low-cost deposit accounts to non-profits and religious organizations, many of whom serve LMI individuals and neighborhoods in Philadelphia.

The bank's Board, senior management, and staff participate in community development services within the assessment area. Some examples of these services include the following:

- Two senior bank officers currently provide technical assistance to the AACC. One senior officer serves as a Board member and another senior bank officer serves on the Annual Meeting Planning Committee. The officers perform these services as representatives of the bank. The AACC's mission is to provide substantive support in advocating, developing, and promoting Black-owned businesses in both public and private sector forums. AACC programs provide technical assistance (such as business plan writing, financial literacy, Minority Business Enterprise certification, marketing, sales, and other relevant development topics), industry-specific training with best-practices and recent trends, business growth roundtables (in-depth discussions with industry experts on operational concerns and solutions); and community development and networking events. United Bank also sponsors various workshops. The bank is currently sponsoring the "Doing Business with the Commonwealth of PA" workshop series, which is a free workshop that addresses the identification of opportunities with the State, State contracting procedures, State resources for small businesses, and certification for minority-owned and women-owned businesses.
- A senior bank officer currently serves as a Board member for the Technical Assistance Center (TAC) for Emerging Contractors located in North Central Philadelphia in a moderate-income area. The TAC was initially launched as an affiliate of the AACC. Today, the two organizations operate cooperatively, but independently to provide training, technical and management assistance, and access to financing for minority small business owners. The TAC for Emerging Contractors program, incorporated as a 501(c)3 non-profit organization during the review period, is designed to assist disadvantaged, city-based businesses with annual revenues of less than \$500 thousand, to bid as bonded, prime contractors for the Neighborhood Transformation Initiative (NTI). NTI is an endeavor to reverse decades of decline through acquisition of deteriorated and vacant properties and lots, demolition of dangerous buildings, and cleaning and greening of vacant lots with a strategy to ensure quality housing; to provide clean and safe streets; to provide cultural and recreational outlets; and to enhance job creation, public safety and economic opportunity.
- As representatives of the bank, two bank officers taught the fundamentals of savings through the Teach Children to Save program to approximately 100 sixth grade students at a public elementary school located in a moderate-income area of Philadelphia. The Teach Children to Save program is a national campaign that raises awareness about the important role that banks and bankers play in helping young people develop lifelong savings habits.
- As representatives of the bank, United Bank officers and employees provided financial training to 128 students, within the fourth and sixth grades at a public elementary school in a moderate-income area of Philadelphia. United Bank officers and employees partnered with Operation Hope through its Banking on Our Future (BOOF) initiative, which delivers financial education, through volunteers, year round to youths ages 9-18 at no cost to the school district.

- The Board of Directors, senior management, and staff were among the volunteers that participated in a community effort known as Comcast Cares Day, which is an annual nationwide day of volunteerism hosted by Comcast. United Bank Board members, senior officers, and employees came together as representatives of the bank to clean, beautify, and plant trees along the Lancaster Avenue corridor, which is a LMI community served by the bank's University City (West Philadelphia) branch.
- A bank officer conducted two financial education seminars on Financial Preparedness, including one session at a church in a moderate-income area to 36 parishioners.
- United Bank welcomed the City of Philadelphia Mural Arts Program to create the first Green Wall sculpture at the bank's University City (West Philadelphia) branch, located in a moderate-income area. This program unites artists and communities through a collaborative process to create art that transforms public spaces. Eleven students from a high school in this moderate-income area, along with the help of a nationally-known environmental artist, created a wall mural based on students' research of the environment and community.
- The bank partnered with the Small Business Development Center (SBDC) at the University of Pennsylvania's Wharton School to participate in the planning and delivery of a series of workshops designed to help both existing and start-up businesses plan strategically, develop or revise business plans, and obtain financing. For example, a senior bank officer will serve as a member of a special panel representing banks and other lending organizations called "Meet the Lenders". The program allows participants to obtain information on how banks and lending organizations evaluate loan applications and the kind of funding they can provide. Participants have the opportunity to meet and discuss their own business issues with representatives from the panel.
- The bank's officers and employees are also involved in providing community development services in the city by serving on boards and finance committees (as representatives of the bank) of several neighborhood organizations that serve LMI areas.